

IC 36-7-13

Chapter 13. Industrial Development

IC 36-7-13-1

Application of chapter

Sec. 1. This chapter applies to all units except townships.

As added by Acts 1981, P.L.309, SEC.32. Amended by Acts 1981, P.L.310, SEC.75; P.L.262-1993, SEC.1.

IC 36-7-13-1.6

"District" defined

Sec. 1.6. As used in this chapter, "district" refers to a community revitalization enhancement district designated under section 10.5 or 12 of this chapter.

As added by P.L.125-1998, SEC.4. Amended by P.L.174-2001, SEC.1.

IC 36-7-13-2

Repealed

(Repealed by Acts 1981, P.L.310, SEC.94.)

IC 36-7-13-2.4

"Gross retail base period amount" defined

Sec. 2.4. Except as provided in section 10.7(c) of this chapter, as used in this chapter, "gross retail base period amount" means:

(1) the aggregate amount of state gross retail and use taxes remitted under IC 6-2.5 by the businesses operating in the territory comprising a district during the full state fiscal year that precedes the date on which:

- (A) an advisory commission on industrial development adopted a resolution designating the district, in the case of a district that is not described in section 12(c) of this chapter; or
- (B) the legislative body of a county or municipality adopts an ordinance designating a district under section 10.5 of this chapter; or

(2) an amount equal to:

(A) the aggregate amount of state gross retail and use taxes remitted:

- (i) under IC 6-2.5 by the businesses operating in the territory comprising a district; and
- (ii) during the month in which an advisory commission on industrial development adopted a resolution designating the district; multiplied by

(B) twelve (12);

in the case of a district that is described in section 12(c) of this chapter.

As added by P.L.125-1998, SEC.5. Amended by P.L.138-1999, SEC.1; P.L.174-2001, SEC.2; P.L.178-2002, SEC.116.

IC 36-7-13-2.6

"Gross retail incremental amount" defined

Sec. 2.6. As used in this chapter, "gross retail incremental amount" means the remainder of:

- (1) the aggregate amount of state gross retail and use taxes that are remitted under IC 6-2.5 by businesses operating in a district during a state fiscal year; minus
- (2) the gross retail base period amount;

as determined by the department of state revenue under section 14 of this chapter.

As added by P.L.125-1998, SEC.6.

IC 36-7-13-3

"Improve" defined; authority to acquire, own, and deal in real property

Sec. 3. (a) For purposes of this chapter, "improve" means to construct, reconstruct, or repair public ways, sidewalks, sewers, drains, fences, or buildings, and to do all other things that would enhance the value of real property and make it more suitable to industrial use.

(b) A unit may acquire by purchase, gift, or devise, and own, improve, maintain, sell, lease, convey, contract for, or otherwise deal in, real property for the development of industrial parks or industrial sites.

(c) A municipality may exercise powers granted by subsection (b) in areas within five (5) miles outside its corporate boundaries.

(d) When a district is designated under section 12(e) of this chapter, a unit may expend funds for the purposes set forth in subsections (a) and (b) for the development of or to enhance the value of real property used for retail purposes.

As added by Acts 1981, P.L.309, SEC.32. Amended by Acts 1981, P.L.310, SEC.76; P.L.262-1993, SEC.2; P.L.113-2002, SEC.4.

IC 36-7-13-3.2

"Income tax base period amount" defined

Sec. 3.2. Except as provided in section 10.7(d) of this chapter, as used in this chapter, "income tax base period amount" means:

- (1) the aggregate amount of state and local income taxes paid by employees employed in the territory comprising a district with respect to wages and salary earned for work in the district for the state fiscal year that precedes the date on which:

- (A) an advisory commission on industrial development adopted a resolution designating the district, in the case of a district that is not described in section 12(c) of this chapter; or
- (B) the legislative body of a county or municipality adopts an ordinance designating a district under section 10.5 of this chapter; or

- (2) an amount equal to:

- (A) the aggregate amount of state and local income taxes paid by employees employed in the territory comprising a district with respect to wages and salary earned for work in the district during the month in which an advisory commission on industrial development adopted a resolution designating the district; multiplied by

(B) twelve (12);
in the case of a district that is described in section 12(c) of this chapter.
As added by P.L.125-1998, SEC.7. Amended by P.L.138-1999, SEC.2; P.L.174-2001, SEC.3; P.L.178-2002, SEC.117.

IC 36-7-13-3.4

"Income tax incremental amount" defined

Sec. 3.4. As used in this chapter, "income tax incremental amount" means the remainder of:

- (1) the aggregate amount of state and local income taxes paid by employees employed in a district with respect to wages earned for work in the district for a particular state fiscal year; minus
 - (2) the income tax base period amount;
- as determined by the department of state revenue under section 14 of this chapter.

As added by P.L.125-1998, SEC.8.

IC 36-7-13-3.8a

"State and local income taxes" defined

Note: This version of section effective until 1-1-2003. See also following version of this section, effective 1-1-2003.

Sec. 3.8. As used in this chapter, "state and local income taxes" means taxes imposed under any of the following:

- (1) IC 6-2.1 (the gross income tax).
- (2) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax).
- (3) IC 6-3-8 (the supplemental net income tax).
- (4) IC 6-3.5-1.1 (county adjusted gross income tax).
- (5) IC 6-3.5-6 (county option income tax).
- (6) IC 6-3.5-7 (county economic development income tax).

As added by P.L.125-1998, SEC.9.

IC 36-7-13-3.8b

"State and local income taxes" defined

Note: This version of section effective 1-1-2003. See also preceding version of this section, effective until 1-1-2003.

Sec. 3.8. As used in this chapter, "state and local income taxes" means taxes imposed under any of the following:

- (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax).
- (2) IC 6-3.5-1.1 (county adjusted gross income tax).
- (3) IC 6-3.5-6 (county option income tax).
- (4) IC 6-3.5-7 (county economic development income tax).

As added by P.L.125-1998, SEC.9. Amended by P.L.192-2002(ss), SEC.174.

IC 36-7-13-4

Industrial development fund; tax levy

Sec. 4. (a) To provide money for the purposes set forth in section 3 of this chapter, the unit shall create a special revolving fund to be known as the industrial development fund, into which any available and unappropriated money of the unit may be transferred by the unit's

legislative body.

(b) The legislative body may also by ordinance levy a tax not to exceed one and sixty-seven hundredths cents (\$0.0167) on each one hundred dollars (\$100) of assessed value of all personal and real property within its jurisdiction. The proceeds of this tax shall be deposited in the industrial development fund. The unit may collect the tax as other municipal or county taxes are collected, or may set up a system for the collection and enforcement of the tax in the unit. The proceeds of the tax may be used for any purpose authorized by this chapter and may be pledged for the payment of principal and interest on bonds or other obligation issued under this chapter.

As added by Acts 1981, P.L.309, SEC.32. Amended by Acts 1981, P.L.310, SEC.77; P.L.262-1993, SEC.3; P.L.6-1997, SEC.208; P.L.125-1998, SEC.10; P.L.125-1998, SEC.11.

IC 36-7-13-5

Advisory commission on industrial development; creation; membership; duties

Sec. 5. (a) In order to coordinate the efforts of the unit and any private industrial development committee in the community, an advisory commission on industrial development shall be appointed by the unit's executive.

(b) Except as provided in subsection (d), the commission shall be composed of six (6) members, including at least one (1) representative of the unit's government, at least one (1) representative of the local industrial development committee, at least one (1) representative of a local banking institution, at least one (1) representative of a local utility company, and at least one (1) representative of organized labor from the building trades. A member of the commission may represent more than one (1) of the organizations enumerated.

(c) The unit's legislative body shall request the commission's recommendations. The legislative body may not conduct any business requiring expenditures from the industrial development fund or make any sale or lease of property acquired by the unit under this chapter without the approval, in writing, of a majority of the members of the commission.

(d) In addition to the members described in subsection (b), if the executive of a unit has submitted a petition to a commission under section 10 of this chapter or if the legislative body of a county or municipality has adopted an ordinance designating a district under section 10.5 of this chapter, the following persons are members of the commission:

- (1) A member appointed by the governor.
- (2) A member appointed by the lieutenant governor.
- (3) A member appointed by the director of the department of workforce development.

As added by Acts 1981, P.L.309, SEC.32. Amended by Acts 1981, P.L.310, SEC.78; P.L.262-1993, SEC.4; P.L.1-1994, SEC.175; P.L.125-1998, SEC.12; P.L.174-2001, SEC.4.

IC 36-7-13-5.5

Sales or leases of property acquired for industrial development

Sec. 5.5. (a) This section does not apply to sales, leases, or other dispositions of real property to other public agencies for public purposes.

(b) Before offering for sale or lease to the public any of the real property acquired under this chapter, the advisory commission on industrial development shall have two (2) separate appraisals of the sale value, or rental value in case of a lease, made by independent appraisers. In making appraisals, the appraisers shall take into consideration the size, location, and physical condition of the parcels and all other factors having a bearing on the value of the parcels. The appraisals are solely for the information of the commission, the unit's executive, and the unit's legislative body and are not open for public inspection.

(c) The commission shall then prepare an offering sheet showing the parcels to be offered and the offering prices, which may not be less than the average of the two (2) appraisals. Copies of the offering sheets shall be furnished to prospective buyers on request. Maps and plats showing the size and location of all parcels to be offered shall also be kept available for inspection at the office of the commission or the unit's legislative body.

(d) A notice shall be published in accordance with IC 5-3-1. The notice must state that at a designated time the commission will open and consider written offers for the purchase or lease of the real property being offered. In giving the notice it is not necessary to describe each parcel separately or to specify the exact terms of disposition, but the notice must:

- (1) state the general location of the parcels;
- (2) call attention generally to any limitations on the use to be made of the real property offered; and
- (3) state that a bid submitted by a trust (as defined in IC 30-4-1-1(a)) must identify each:
 - (A) beneficiary of the trust; and
 - (B) settlor empowered to revoke or modify the trust.

(e) At the time fixed in the notice the commission shall open and consider any offers received. All offers received shall be opened at public meetings of the commission and shall be kept open for public inspection.

(f) The commission may make recommendations to the legislative body for awards to the highest and best bidders. In determining the best bids, the commission shall take into consideration the following factors:

- (1) The size and character of the improvements proposed to be made by the bidder on the real property.
- (2) The bidder's plans and ability to improve the real property with reasonable promptness.
- (3) Whether the real property when improved will be sold or rented.
- (4) The bidder's proposed sale or rental prices.
- (5) The bidder's compliance with subsection (d)(3).
- (6) Any factors that will assure the commission that the sale or

lease, if made, will further industrial development of the unit and best serve the interest of the community from the standpoint of both human and economic welfare.

(g) The legislative body may contract with a bidder with regard to the factors listed in subsection (f). The contract may provide for the deposit of surety bonds, the making of good faith deposits, liquidated damages, the right of repurchase, or other rights and remedies if the bidder fails to comply with the contract. A conveyance under this chapter may not be made until the agreed consideration has been paid.

(h) After the opening and consideration of the written offers filed in response to the notice, the legislative body may dispose of the remainder of the available real property either at public sale or by private negotiation. For a period of ninety (90) days after the opening of the written offers, a sale or lease may not be made at a price or rental less than that shown on the offering sheet. After that period, the commission may adjust the offering prices in the manner it considers necessary to further industrial development.

As added by P.L.214-1986, SEC.2. Amended by P.L.336-1989(ss), SEC.50; P.L.262-1993, SEC.5.

IC 36-7-13-6

Industrial development fund; payments and deposits

Sec. 6. All costs for the acquisition and improvement of real property under this chapter shall be paid from the industrial development fund, and all proceeds from the sale of real property under this chapter shall be deposited in that fund.

As added by Acts 1981, P.L.309, SEC.32.

IC 36-7-13-7

Title to real property

Sec. 7. The title to all real property acquired under this chapter shall be taken in the name of the unit and shall be conveyed by warranty deed executed by the presiding officer of the legislative body and attested to by the clerk of the unit.

As added by Acts 1981, P.L.309, SEC.32. Amended by Acts 1981, P.L.310, SEC.79; P.L.262-1993, SEC.6.

IC 36-7-13-8

Property acquired by or from unit; no tax exemption

Sec. 8. Property acquired by or from a unit under this chapter is not exempt from any taxes.

As added by Acts 1981, P.L.309, SEC.32. Amended by Acts 1981, P.L.310, SEC.80; P.L.262-1993, SEC.7.

IC 36-7-13-9

Transfer of surplus funds; cessation of tax levy

Sec. 9. When the purposes for which the industrial development fund was established have been accomplished and all districts designated by the unit have been terminated under section 19 of this chapter, the balance remaining in that fund shall be transferred to the general fund of the unit and the authority for the levy of the tax

provided by section 4 of this chapter ceases.

As added by Acts 1981, P.L.309, SEC.32. Amended by Acts 1981, P.L.310, SEC.81; P.L.262-1993, SEC.8; P.L.125-1998, SEC.13.

IC 36-7-13-10

Application for designation of district

Sec. 10. (a) After approval by ordinance or resolution of the legislative body of a municipality located in a county having a population of:

- (1) more than one hundred twenty thousand (120,000) but less than one hundred thirty thousand (130,000);
- (2) more than two hundred thousand (200,000) but less than three hundred thousand (300,000); or
- (3) more than three hundred thousand (300,000) but less than four hundred thousand (400,000);

the executive of the municipality may submit an application to an advisory commission on industrial development requesting that an area within the municipality be designated as a district.

(b) After approval by ordinance or resolution of the legislative body of a county, the executive of the county may submit an application to an advisory commission on industrial development requesting that an area within the county, but not within a municipality, be designated as a district. However, in a county having a population of more than one hundred eighteen thousand (118,000) but less than one hundred twenty thousand (120,000), the legislative body of the county may request that an area within the county be designated as a district even if the area is within a municipality.

As added by P.L.125-1998, SEC.14. Amended by P.L.138-1999, SEC.3; P.L.174-2001, SEC.5; P.L.170-2002, SEC.158.

IC 36-7-13-10.5

Designation of districts in economically distressed counties

Sec. 10.5. (a) This section applies only to a county that meets the following conditions:

- (1) The county's annual rate of unemployment has been above the average annual statewide rate of unemployment during at least three (3) of the preceding five (5) years.
- (2) The median income of the county has:
 - (A) declined over the preceding ten (10) years; or
 - (B) has grown at a lower rate than the average annual statewide growth in median income during at least three (3) of the preceding five (5) years.
- (3) The population of the county (as determined by the legislative body of the county) has declined over the preceding ten (10) years.

(b) Except as provided in section 10.7 of this chapter, in a county described in subsection (a), the legislative body of the county may adopt an ordinance designating an unincorporated part or unincorporated parts of the county as a district, and the legislative body of a municipality located within the county may adopt an ordinance designating a part or parts of the municipality as a district, if the

legislative body finds all of the following:

- (1) The area to be designated as a district contains a building or buildings that:
 - (A) have a total of at least fifty thousand (50,000) square feet of usable interior floor space; and
 - (B) are vacant or will become vacant due to the relocation of the employer or the cessation of operations on the site by the employer.
 - (2) Significantly fewer persons are employed in the area to be designated as a district than were employed in the area during the year that is ten (10) years previous to the current year.
 - (3) There are significant obstacles to redevelopment in the area due to any of the following problems:
 - (A) Obsolete or inefficient buildings.
 - (B) Aging infrastructure or inefficient utility services.
 - (C) Utility relocation requirements.
 - (D) Transportation or access problems.
 - (E) Topographical obstacles to redevelopment.
 - (F) Environmental contamination or remediation.
 - (c) A legislative body adopting an ordinance under subsection (b) shall designate the duration of the district. However, the duration may not exceed fifteen (15) years from the time of designation.
 - (d) Except as provided in section 10.7 of this chapter, upon adoption of an ordinance designating a district, the legislative body shall submit the ordinance to the budget committee for review and recommendation to the budget agency.
 - (e) Except as provided in section 10.7 of this chapter, when considering the designation of a district by an ordinance adopted under this section, the budget committee and the budget agency must make the following findings before approving the designation of the district:
 - (1) The area to be designated as a district meets the conditions necessary for the designation as a district.
 - (2) The designation of the district will benefit the people of Indiana by protecting or increasing state and local tax bases and tax revenues for at least the duration of the district.
 - (f) Except as provided in section 10.7 of this chapter, the income tax incremental amount and the gross retail incremental amount may not be allocated to the district until the budget agency approves the designation of the district by the local ordinance.
- As added by P.L.174-2001, SEC.6. Amended by P.L.178-2002, SEC.118.*

IC 36-7-13-10.7

Calculation of net increment for preceding fiscal year; funds and accounts; limitation on amounts received by city

Sec. 10.7. (a) This section applies to a district designated under section 10.5 of this chapter and approved by the budget agency before January 1, 2002, in a city having a population of more than thirty-one thousand (31,000) but less than thirty-two thousand (32,000).

(b) An area is added to and becomes part of a district described in subsection (a) if the area consists of property that:

- (1) is located in a city having a population of more than thirty-one thousand (31,000) but less than thirty-two thousand (32,000); and
- (2) experienced a loss of at least three hundred (300) jobs during the calendar year ending December 31, 2001.

(c) After the addition of property to a district described in subsection (a) under this section, the gross retail base period amount determined under section 2.4 of this chapter for the district before the addition of the property to the district under this section shall be increased by an amount equal to:

- (1) the aggregate amount of state gross retail and use taxes remitted:

- (A) under IC 6-2.5 by the businesses operating in the area added to the district under subsection (b); and

- (B) during the period beginning after December 31, 2001, and ending before February 1, 2002; multiplied by

- (2) twelve (12).

(d) After the addition of property to a district described in subsection (a) under this section, the income tax base period amount determined under section 3.2 of this chapter for the district before the addition of the property to the district under this section shall be increased by an amount equal to:

- (1) the aggregate amount of state and local income taxes paid:

- (A) by employees employed in the area added to the district under subsection (b) with respect to wages and salary earned for work in the area added; and

- (B) during the period beginning after December 31, 2001, and ending before February 1, 2002; multiplied by

- (2) twelve (12).

(e) The addition of property to a district under this section does not require adoption of an ordinance, review by the budget committee, or approval of the budget agency under section 10.5 of this chapter.

As added by P.L.178-2002, SEC.119.

IC 36-7-13-11

Application for designation of district; duties of advisory commission on industrial development

Sec. 11. If a municipal or county executive submits an application requesting an area to be designated as a district under this chapter, the advisory commission on industrial development shall do the following:

- (1) Compile information necessary to make a determination concerning whether the area meets the conditions necessary for designation as a district.

- (2) Prepare maps showing the boundaries of the proposed district.

- (3) Prepare a plan describing the ways in which the development obstacles described in section 12(b)(3), 12(c), 12(d), or 12(e) of this chapter in the proposed district will be addressed.

As added by P.L.125-1998, SEC.15. Amended by P.L.138-1999, SEC.4; P.L.174-2001, SEC.7.

IC 36-7-13-12

Designation of district; resolution; findings; duration; budget

agency proceedings

Sec. 12. (a) If a municipal or county executive has submitted an application to an advisory commission on industrial development requesting that an area be designated as a district under this chapter and the advisory commission has compiled and prepared the information required under section 11 of this chapter concerning the area, the advisory commission may adopt a resolution designating the area as a district if it makes the findings described in subsection (b), (c), (d), or (e). In a county described in subsection (c), an advisory commission may designate more than one (1) district under subsection (c).

(b) For an area located in a county having a population of more than one hundred twenty thousand (120,000) but less than one hundred thirty thousand (130,000), an advisory commission may adopt a resolution designating a particular area as a district only after finding all of the following:

- (1) The area contains a building or buildings:
 - (A) with at least one million (1,000,000) square feet of usable interior floor space; and
 - (B) that is or are vacant or will become vacant due to the relocation of an employer.
- (2) At least one thousand (1,000) fewer persons are employed in the area than were employed in the area during the year that is ten (10) years previous to the current year.
- (3) There are significant obstacles to redevelopment of the area due to any of the following problems:
 - (A) Obsolete or inefficient buildings.
 - (B) Aging infrastructure or inefficient utility services.
 - (C) Utility relocation requirements.
 - (D) Transportation or access problems.
 - (E) Topographical obstacles to redevelopment.
 - (F) Environmental contamination.
- (4) The unit has expended, appropriated, pooled, set aside, or pledged at least one hundred thousand dollars (\$100,000) for purposes of addressing the redevelopment obstacles described in subdivision (3).
- (5) The area is located in a county having a population of more than one hundred twenty thousand (120,000) but less than one hundred thirty thousand (130,000).

(c) For a county having a population of more than one hundred eighteen thousand (118,000) but less than one hundred twenty thousand (120,000), an advisory commission may adopt a resolution designating not more than two (2) areas as districts. An advisory commission may designate an area as a district only after finding the following:

- (1) The area meets either of the following conditions:
 - (A) The area contains a building with at least seven hundred ninety thousand (790,000) square feet, and at least eight hundred (800) fewer people are employed in the area than were employed in the area during the year that is ten (10) years previous to the current year.

- (B) The area contains a building with at least four hundred forty thousand (440,000) square feet, and at least four hundred (400) fewer people are employed in the area than were employed in the area during the year that is ten (10) years previous to the current year.
- (2) The area is located in or is adjacent to an industrial park.
- (3) There are significant obstacles to redevelopment of the area due to any of the following problems:
 - (A) Obsolete or inefficient buildings.
 - (B) Aging infrastructure or inefficient utility services.
 - (C) Utility relocation requirements.
 - (D) Transportation or access problems.
 - (E) Topographical obstacles to redevelopment.
 - (F) Environmental contamination.
- (4) The area is located in a county having a population of more than one hundred eighteen thousand (118,000) but less than one hundred twenty thousand (120,000).
- (d) For an area located in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000), an advisory commission may adopt a resolution designating a particular area as a district only after finding all of the following:
 - (1) The area contains a building or buildings:
 - (A) with at least one million five hundred thousand (1,500,000) square feet of usable interior floor space; and
 - (B) that is or are vacant or will become vacant.
 - (2) At least eighteen thousand (18,000) fewer persons are employed in the area at the time of application than were employed in the area before the time of application.
 - (3) There are significant obstacles to redevelopment of the area due to any of the following problems:
 - (A) Obsolete or inefficient buildings.
 - (B) Aging infrastructure or inefficient utility services.
 - (C) Utility relocation requirements.
 - (D) Transportation or access problems.
 - (E) Topographical obstacles to redevelopment.
 - (F) Environmental contamination.
 - (4) The unit has expended, appropriated, pooled, set aside, or pledged at least one hundred thousand dollars (\$100,000) for purposes of addressing the redevelopment obstacles described in subdivision (3).
 - (5) The area is located in a county having a population of more than two hundred thousand (200,000) but less than three hundred thousand (300,000).
- (e) For an area located in a county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000), an advisory commission may adopt a resolution designating a particular area as a district only after finding all of the following:
 - (1) The area contains a building or buildings:
 - (A) with at least eight hundred thousand (800,000) gross square feet; and
 - (B) having leasable floor space, at least fifty percent (50%) of

- which is or will become vacant.
- (2) There are significant obstacles to redevelopment of the area due to any of the following problems:
- (A) Obsolete or inefficient buildings as evidenced by a decline of at least seventy-five percent (75%) in their assessed valuation during the preceding ten (10) years.
 - (B) Transportation or access problems.
 - (C) Environmental contamination.
- (3) At least four hundred (400) fewer persons are employed in the area than were employed in the area during the year that is fifteen (15) years previous to the current year.
- (4) The area has been designated as an economic development target area under IC 6-1.1-12.1-7.
- (5) The unit has appropriated, pooled, set aside, or pledged at least two hundred fifty thousand dollars (\$250,000) for purposes of addressing the redevelopment obstacles described in subdivision (2).
- (6) The area is located in a county having a population of more than three hundred thousand (300,000) but less than four hundred thousand (400,000).
- (f) The advisory commission, or the county or municipal legislative body, in the case of a district designated under section 10.5 of this chapter, shall designate the duration of the district, but the duration may not exceed fifteen (15) years (at the time of designation).
- (g) Upon adoption of a resolution designating a district, the advisory commission shall submit the resolution to the budget committee for review and recommendation to the budget agency.
- (h) When considering a resolution, the budget committee and the budget agency must make the following findings:
- (1) The area to be designated as a district meets the conditions necessary for designation as a district.
 - (2) The designation of the district will benefit the people of Indiana by protecting or increasing state and local tax bases and tax revenues for at least the duration of the district.
- (i) The income tax incremental amount and the gross retail incremental amount may not be allocated to the district until the budget agency approves the resolution.

As added by P.L.125-1998, SEC.16. Amended by P.L.1-1999, SEC.81; P.L.138-1999, SEC.5; P.L.174-2001, SEC.8; P.L.170-2002, SEC.159.

IC 36-7-13-13

Designation of district; copy of resolution and list to department of state revenue; determination of gross retail base period amount and income tax base period amount

Sec. 13. (a) If an advisory commission on industrial development designates a district under section 12 of this chapter or if the legislative body of a county or municipality adopts an ordinance designating a district under section 10.5 of this chapter, the advisory commission, or the legislative body in the case of a district designated under section 10.5 of this chapter, shall send a certified copy of the resolution or ordinance designating the district to the department of state revenue by

certified mail and shall include with the resolution a complete list of the following:

- (1) Employers in the district.
- (2) Street names and the range of street numbers of each street in the district.

The advisory commission, or the legislative body in the case of a district designated under section 10.5 of this chapter, shall update the list before July 1 of each year.

(b) Not later than sixty (60) days after receiving a copy of the resolution or ordinance designating a district, the department of state revenue shall determine the gross retail base period amount and the income tax base period amount.

As added by P.L.125-1998, SEC.17. Amended by P.L.174-2001, SEC.9.

IC 36-7-13-14

Fiscal year income tax incremental amount and gross retail incremental amount calculations

Sec. 14. Before the first business day in October of each year, the department shall calculate the income tax incremental amount and the gross retail incremental amount for the preceding state fiscal year for each district designated under this chapter.

As added by P.L.125-1998, SEC.18.

IC 36-7-13-15a

Incremental tax financing funds

Note: This version of section effective until 1-1-2003. See also following version of this section, effective 1-1-2003.

Sec. 15. (a) If an advisory commission on industrial development designates a district under this chapter or the legislative body of a county or municipality adopts an ordinance designating a district under section 10.5 of this chapter, the treasurer of state shall establish an incremental tax financing fund for the county. The fund shall be administered by the treasurer of state. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

(b) Subject to subsection (c), the following amounts shall be deposited during each state fiscal year in the incremental tax financing fund established for the county under subsection (a):

- (1) The aggregate amount of state gross retail and use taxes that are remitted under IC 6-2.5 by businesses operating in the district, until the amount of state gross retail and use taxes deposited equals the gross retail incremental amount for the district.
- (2) The aggregate amount of state and local income taxes paid by employees employed in the district with respect to wages earned for work in the district, until the amount of state and local income taxes deposited equals the income tax incremental amount.

(c) The aggregate amount of revenues that is:

- (1) attributable to:
 - (A) the state gross retail and use taxes established under IC 6-2.5;
 - (B) the gross income tax established under IC 6-2.1;
 - (C) the adjusted gross income tax established under IC 6-3-1

through IC 6-3-7; and
(D) the supplemental net income tax established under IC 6-3-8; and
(2) deposited during any state fiscal year in each incremental tax financing fund established for a county;
may not exceed one million dollars (\$1,000,000) per county.
(d) On or before the twentieth day of each month, all amounts held in the incremental tax financing fund established for a county shall be distributed to the district's advisory commission on industrial development for deposit in the industrial development fund of the unit that requested designation of the district.
As added by P.L.125-1998, SEC.19. Amended by P.L.174-2001, SEC.10.

IC 36-7-13-15b

Incremental tax financing funds

Note: This version of section effective 1-1-2003. See also preceding version of this section, effective until 1-1-2003.

Sec. 15. (a) If an advisory commission on industrial development designates a district under this chapter or the legislative body of a county or municipality adopts an ordinance designating a district under section 10.5 of this chapter, the treasurer of state shall establish an incremental tax financing fund for the county. The fund shall be administered by the treasurer of state. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

(b) Subject to subsection (c), the following amounts shall be deposited during each state fiscal year in the incremental tax financing fund established for the county under subsection (a):

(1) The aggregate amount of state gross retail and use taxes that are remitted under IC 6-2.5 by businesses operating in the district, until the amount of state gross retail and use taxes deposited equals the gross retail incremental amount for the district.

(2) The aggregate amount of state and local income taxes paid by employees employed in the district with respect to wages earned for work in the district, until the amount of state and local income taxes deposited equals the income tax incremental amount.

(c) The aggregate amount of revenues that is:

(1) attributable to:

(A) the state gross retail and use taxes established under IC 6-2.5; and

(B) the adjusted gross income tax established under IC 6-3-1 through IC 6-3-7; and

(2) deposited during any state fiscal year in each incremental tax financing fund established for a county;

may not exceed one million dollars (\$1,000,000) per county.

(d) On or before the twentieth day of each month, all amounts held in the incremental tax financing fund established for a county shall be distributed to the district's advisory commission on industrial development for deposit in the industrial development fund of the unit that requested designation of the district.

As added by P.L.125-1998, SEC.19. Amended by P.L.174-2001,

SEC.10; P.L.192-2002(ss), SEC.175.

IC 36-7-13-16

Issuance of bonds or other obligations

Sec. 16. (a) A unit may issue bonds or other obligations to finance the costs of addressing the development obstacles described in section 12(b)(3), 12(c), 12(d)(3), or 12(e)(2) of this chapter in the district.

(b) The district bonds are special obligations of indebtedness of the district. The district bonds issued under this section, and interest on the district bonds, are payable solely out of amounts deposited in the industrial development fund under this chapter.

As added by P.L.125-1998, SEC.20. Amended by P.L.138-1999, SEC.6; P.L.174-2001, SEC.11.

IC 36-7-13-17

Pledge of money in industrial development fund

Sec. 17. Money in the industrial development fund may be pledged by an advisory commission for the following purposes:

- (1) To pay debt service on bonds or other obligations issued under this chapter.
- (2) To establish and maintain a debt service reserve established by the advisory commission.

As added by P.L.125-1998, SEC.21. Amended by P.L.1-1999, SEC.82.

IC 36-7-13-18

Goals or benchmarks for property development or redevelopment

Sec. 18. (a) As used in this section, "developer" means a person that:

- (1) proposes to enter into, or has entered into, a financing agreement with a unit for the development or redevelopment of a facility located in a district; and
- (2) has entered into a separate agreement with some other person for the use or operation of the financed facility.

(b) A unit may establish goals or benchmarks concerning the development or redevelopment of property by a developer. The unit may provide that a developer that meets or exceeds the goals or benchmarks shall be paid a specified fee from the industrial development fund.

As added by P.L.125-1998, SEC.22.

IC 36-7-13-19

Termination of district

Sec. 19. When the advisory commission, or the legislative body of a county or municipality that adopts an ordinance designating a district under section 10.5 of this chapter, determines that the purposes for which a district was established have been accomplished and that all bonds or other obligations issued under this chapter and all interest on those bonds or obligations have been fully paid, the advisory commission or the legislative body shall adopt a resolution terminating

the district. If an advisory commission or a legislative body adopts a resolution under this section, the advisory commission or the legislative body shall send a certified copy of the resolution by certified mail to the department.

As added by P.L.125-1998, SEC.23. Amended by P.L.174-2001, SEC.12.

IC 36-7-13-20

Covenant not to adversely affect owners of bonds or obligations

Sec. 20. The general assembly covenants that this chapter will not be repealed or amended in a manner that will adversely affect the owner of bonds or other obligations issued under this chapter.

As added by P.L.125-1998, SEC.24.